

Board Meeting Minutes—202nd Meeting

September 7, 2022

Board members present: Alexia Kelly, Anne Haworth Root, Elee Jen, Eric Hayes, Erik Andersson, Henry Lorenzen, Peter Therkelsen, Roland Risser, Silvia Tanner, Susan Brodahl, Thelma Fleming, Letha Tawney (Oregon Public Utility Commission ex officio)

Board members absent: Ernesto Fonseca, Melissa Cribbins, Janine Benner (Oregon Department of Energy special advisor)

Staff attending: Adam Schick, Alex Novie, Amber Cole, Andrew Shepard, Angela Barranger, Betsy Kauffman, Cheryle Easton, Chris Dunning, Cody Kleinsmith, Dave McClelland, Debbie Menashe, Elaine Dado, Emily Estrada, Hannah Cruz, Julianne Thacher, Kirstin Pinit, Mana Haeri, Marshall Johnson, Michael Fritz, Michael Colgrove, Oliver Kesting, Robert Wyllie, Ryan Crews, Scott Leonard, Shelly Carlton, Steve Lacey, Thad Roth, Tracy Scott, Tyrone Henry

Others attending: Alder Miller (CLEAResult), Alecia Dodd (CLEAResult), Angel Swanson (Skill Demand), Antonio Lara (Lara Media), Ashley Tackitt (CLEAResult), Benjamin Lyon (ICF), Brian Mayfield (CLEAResult), Brien Sipe (CLEAResult), Brooke Landon (CLEAResult), Chris Smith (Energy 350), Heather Salisbury (CLEAResult), Jenny Sorich (CLEAResult), Keri Hunt (CLEAResult), Laney Ralph (NW Natural Gas), Lisa McGarity (Avista Corp), Michelle Lagos, Monica Cowlshaw, Shannon Todd (TRC), Whitney Rideout (Sky Garden Design)

Business Meeting

President Henry Lorenzen called the meeting to order at 1:31 p.m.

General Public Comments

There were no public comments.

Proxy Vote Corrections

Henry Lorenzen recalled that at the last board meeting, there were portions of the meeting where a quorum was not present. As a result, the board voted on two actions with the use of proxy votes. But on further review of the Oregon Nonprofit Corporation statutes, proxy voting was not permitted; under the Oregon statutes, proxy voting for nonprofit corporation members is permitted, but not for board of director voting. As a result, Henry asked that the board take action to again review and vote on resolutions #982 and #983 below.

RESOLUTION 982

APPROVAL OF TEMPORARY USE OF DEVELOPMENT FUND FOR ENERGY TRUST DIRECTOR OF INNOVATION AND DEVELOPMENT SERVICES SALARY FUNDING

WHEREAS:

1. Energy Trust believes that it is critical to hire a Director of Innovation and Development Services to advance Energy Trust's work in leveraging and bringing in funding in addition to utility ratepayer funding to

support Energy Trust's energy efficiency and renewable energy mission and its ongoing organization-wide innovation and development work.

2. Staff believes that the Energy Trust Development funds are the most appropriate source of funding for this purpose, which by policy must be approved by the board for use.

It is therefore RESOLVED: Staff is authorized to use funds from the Energy Trust Development Fund in an amount to be determined in accordance with Energy Trust's staff compensation policies for funding a position for an Energy Trust Director of Innovation and Development Services position for an interim period, potentially through the end of 2023.

Moved by: Eric Hayes

Seconded by: Roland Risser

Vote: In favor: 11

Abstained: 0

Opposed: 0

RESOLUTION 983

AUTHORIZE A TRANSITION CONTRACT AND A PROGRAM MANAGEMENT CONTRACT WITH ENERGY 350, INC. (ENERGY 350) FOR PRODUCTION EFFICIENCY PROGRAM SERVICES

WHEREAS:

1. With the assistance of outside expertise, Energy Trust staff conducted a fair and open procurement process to select a program management contractor to manage and deliver Production Efficiency program services for the next 2-5 years;
2. Staff selected Energy 350 as providing the Production Efficiency program management contract proposal that would best meet the needs of Energy Trust and Energy Trust customers;
3. Staff has estimated a total transition budget for the September 1, 2022 through December 31, 2022 transition contract with Energy 350 up to \$750,000.
4. Staff has estimated a total first-year Production Efficiency program management and program delivery budget to be delivered as a PMC contract for 2023 up to \$13,400,000 based on identified savings levels from the RFP. Final details for the exact cost will be approved by this Board as part of the Production Efficiency 2023 annual budget approval process; and
5. The Energy Trust board will review actual savings and costs each year as part of the annual budget and action plan process.

IT IS THEREFORE RESOLVED:

1. The executive director or his designee is authorized to negotiate and to enter into a transition contract with Energy 350 for a term from September 1, 2022, through December 31, 2022, and a contract budget of up to \$750,000, to perform transition work in preparation for assuming full Production Efficiency program management and delivery by January 1, 2023.
2. Subject to determination of a contract cost amount based on the board-approved 2023 annual budget, the executive director or his designee is additionally authorized to negotiate and to enter into a contract with Energy 350 to manage the Production Efficiency program for an initial term from January 1, 2023, through December 31, 2024.
3. First-year contract costs and savings goals included in the contract shall be consistent with the board-approved 2023 annual budget and action plan(s). Thereafter, staff may amend the contract consistent with the board's annual budget and action plan decisions and the executive director or his designee is authorized to sign any such contract amendments.
4. The contract may include a provision allowing staff to offer up to three one-year extensions beyond the initial term if the program management contractor meets certain established performance criteria, including but not limited to Diversity, Equity, and Inclusion contracting performance criteria.
5. Before extending this contract beyond the initial term, staff will report to the board on the program management contractor's progress and staff's recommendation for any additional extension time

periods. If the board approves an extension, contract terms would remain as approved in the most recent action plans, budgets, and contract at the time of extension, and the executive director or his designee would be authorized to sign any such contract extensions.

Moved by: Eric Hayes

Seconded by: Roland Risser

Vote: In favor:11

Abstained: 0

Opposed: 0

Finance & Audit Committee

Susan Brodahl, chair of the Finance & Audit Committee discussed the work of the Finance & Audit Committee in reviewing staff recommended contracts for board approval. The committee reviews detailed information from staff about contract proposals and asks questions of staff presenters in order to determine whether to recommend approval to the full board. This work has emerged out of the board's committee restructuring earlier in the year, and Susan asked board members for their perspectives on this approach. Board members discussed whether and how much delegation for contract approvals should be granted to the Finance & Audit Committee, ranging from the current practice to full delegation. Board members suggested a number of strategies to balance transparency of the board's work in reviewing with the desire for more efficient board meetings. The Nominating & Governance Committee and the Finance & Audit Committee will be reviewing the board's Contract Approval Policy in the next couple of months and will consider the board's discussion and ideas at this meeting in order to come to a recommendation.

Susan then asked the board to consider Resolution 985 regarding an extension of the New Buildings Program Management Contract with CLEAResult, which was recommended for approval by the Finance & Audit Committee. Board members did not have questions regarding the committee's recommendation or the proposed resolution. President Henry Lorenzen asked for a motion to approve the resolution.

RESOLUTION 985

AUTHORIZE AN AMENDMENT FOR AN ADDITIONAL ONE YEAR EXTENSION TO THE NEW BUILDINGS PROGRAM MANAGEMENT CONTRACT

WHEREAS:

1. The board's initial authorization for this contract as set forth in Resolution 841 did not allow for any additional extensions beyond December 31, 2023, and established a total not to exceed contract term of five years.
2. Energy Trust staff has requested board authorization to allow for one additional one-year extension period, which would be set forth by the parties in a contract amendment, to extend the term of the agreement from January 1, 2024, through December 31, 2024.
3. This additional extension period would provide New Buildings staff the opportunity to redesign the program and develop a scope document for a comprehensive competitive solicitation process that Energy Trust would conduct in 2024.

4. Staff estimates a total one-year program management budget of approximately \$6,000,000 for the New Buildings program management services that would be contracted during the proposed 2024 extension period.
5. Actual savings and costs will be reviewed by the Energy Trust board as part of the 2024 budget and action plan process.

IT IS THEREFORE RESOLVED:

1. The executive director or his designee is authorized to enter into a contract amendment to extend the term of the New Buildings Program Management Contract with CLEAResult through December 31, 2024 consistent with the basic terms herein;
2. Actual 2024 contract costs and savings goals included in the contract amendment shall be consistent with the board-approved 2024 budget and two-year action plan; and
3. Staff will report to the board on the redesign and competitive solicitation plans for the contract services described herein by no later than July 31, 2023.

Moved by: Silvia Tanner

Seconded by: Erik Andersson

Vote: In favor: 11

Abstained: 0

Opposed: 0

Susan Brodahl then discussed the proposal for new residential program management and delivery contracts (PMC and PDC contracts, respectively), noting that the Finance & Audit Committee had reviewed staff's recommendations on the proposed contracts in detail, and asked for follow up information to be presented to the full board. Since some of the information is business proprietary information regarding the competitive solicitation process, President Henry Lorenzen adjourned the public meeting, and the board met in Executive Session pursuant to bylaws *section 3.19.3 trade secrets, proprietary or other confidential commercial or financial information, and 3.19.4 information regarding negotiations whose disclosure would likely frustrate corporate purposes* to discuss the proposed PMC and PDC contract recommendations.

Henry Lorenzen reconvened the public meeting of the board for a presentation on staff proposals for approval of a new agreements for program management and delivery of the Energy Trust residential programs.

Energy Trust Sector Lead Thad Roth and Senior Program Manager Marshall Johnson provided a brief presentation about the contract recommendations, and board members expressed their appreciation for the information.

Henry Lorenzen asked for a motion on Resolutions 986, 987, and 988 with revisions presented to board members immediately before the meeting.

RESOLUTION 986
AUTHORIZE A PROGRAM MANAGEMENT CONTRACT (PMC) WITH CLEAR RESULT
CONSULTING, INC FOR RESIDENTIAL PROGRAM SERVICES

WHEREAS:

1. With the assistance of outside expertise, Energy Trust staff conducted a fair and open Request for Proposals (RFP) procurement process to select a program management contractor to manage and deliver Residential program services for the next 2-5 years;
2. Staff recommends CLEAR result as providing the Residential program management contract proposal that would best meet the needs of Energy Trust and Energy Trust customers;
3. Staff has estimated a total first-year Residential program management and program delivery budget to be delivered as a PMC contract for 2023 up to \$11,000,000 based on identified savings levels from the RFP. Final details for the exact cost will be approved by this Board as part of the Residential 2023 annual budget approval process;
4. Staff presented information on the RFP process and reviewed the recommendation of CLEAR result to the Energy Trust board Finance & Audit Committee on August 29, 2022; and
5. If approved, the Energy Trust board will review actual savings and costs of the recommended PMC contract each year as part of the annual budget and action plan process.

IT IS THEREFORE RESOLVED:

1. Subject to determination of a contract cost amount based on the board-approved 2023 annual budget, the executive director or his designee is additionally authorized to negotiate and to enter into a PMC contract with CLEAR result to manage the Residential program for an initial term from January 1, 2023, through December 31, 2024.
2. First-year PMC contract costs and savings goals included in the contract shall be consistent with the board-approved 2023 annual budget and action plan(s). Thereafter, staff may amend the contract consistent with the board's annual budget and action plan decisions and the executive director or his designee is authorized to sign any such contract amendments.
3. The PMC contract may include a provision allowing staff to offer up to three one-year extensions beyond the initial term if the program management contractor meets certain established performance criteria, including but not limited to Diversity, Equity, and Inclusion contracting performance criteria.
4. Before extending this PMC contract beyond the initial term, staff will report to the board on the program management contractor's progress and staff's recommendation for any additional extension time periods. If the board approves an extension, contract terms would remain as approved in the most recent action plans, budgets, and contract at the time of extension, and the executive director or his designee would be authorized to sign any such contract extensions.

Moved by: Eric Hayes**Seconded by: Roland Risser****Vote: In favor: 11****Abstained: 0****Opposed: 0**

RESOLUTION 987
AUTHORIZE A PROGRAM DELIVERY CONTRACT (PDC) WITH CLEARRESULT CONSULTING, INC. FOR RESIDENTIAL MIDSTREAM PROGRAM SERVICES

WHEREAS:

6. With the assistance of outside expertise, Energy Trust staff conducted a fair and open Request for Proposals (RFP) procurement process to select a program delivery contractor to deliver midstream Residential program services for the next 2-5 years;
7. Staff recommends CLEARResult as providing the Residential midstream program delivery contract proposal that would best meet the needs of Energy Trust and Energy Trust customers.
8. Staff has estimated a total first-year Residential program delivery budget to be delivered as a PDC contract for 2023 up to \$1,500,000 based on identified savings levels from the RFP and scope needed to support an effective program. Final details for the exact cost will be approved by this Board as part of the Residential 2023 annual budget approval process;
9. Staff presented information on the RFP process and reviewed the recommendation of CLEARResult to the Energy Trust board Finance & Audit Committee on August 29, 2022; and
10. If approved, the Energy Trust board will review actual savings and costs of the recommended PDC contract each year as part of the annual budget and action plan process.

IT IS THEREFORE RESOLVED:

4. Subject to determination of a contract cost amount based on the board-approved 2023 annual budget, the executive director or his designee is additionally authorized to negotiate and to enter into a PDC contract with CLEARResult to deliver the Residential midstream program for an initial term from January 1, 2023, through December 31, 2024.
5. First-year PDC contract costs and savings goals included in the contract shall be consistent with the board-approved 2023 annual budget and action plan(s). Thereafter, staff may amend the contract consistent with the board's annual budget and action plan decisions and the executive director or his designee is authorized to sign any such contract amendments.
6. The PDC contract may include a provision allowing staff to offer up to three one-year extensions beyond the initial term if the program management contractor meets certain established performance criteria, including but not limited to Diversity, Equity, and Inclusion contracting performance criteria.
7. Before extending this PDC contract beyond the initial term, staff will report to the board on the program management contractor's progress and staff's recommendation for any additional extension time periods. If the board approves an extension, contract terms would remain as approved in the most recent action plans, budgets, and contract at the time of extension, and the executive director or his designee would be authorized to sign any such contract extensions.

Moved by: Eric Hayes**Seconded by: Roland Risser****Vote: In favor: 11****Abstained: 0****Opposed: 0**

RESOLUTION 988
AUTHORIZE A PROGRAM DELIVERY CONTRACT (PDC) WITH TRC ENGINEERS, INC. FOR
RESIDENTIAL NEW CONSTRUCTION PROGRAM SERVICES

WHEREAS:

1. With the assistance of outside expertise, Energy Trust staff conducted a fair and open Request for Proposals (RFP) procurement process to select a program delivery contractor to deliver Residential new construction program services for the next 2-5 years;
2. Staff recommends TRC as providing the Residential new construction program delivery contract proposal that would best meet the needs of Energy Trust and Energy Trust customers;
3. Staff has estimated a total first-year Residential new construction program delivery budget to be delivered as a PDC contract for 2023 up to \$3,300,000 based on identified savings levels from the RFP. Final details for the exact cost will be approved by this Board as part of the Residential 2023 annual budget approval process;
4. Staff presented information on the RFP process and reviewed the recommendation of TRC to the Energy Trust board Finance & Audit Committee on August 29, 2022; and
5. If approved, the Energy Trust board will review actual savings and costs each year as part of the annual budget and action plan process.

IT IS THEREFORE RESOLVED:

1. Subject to determination of a contract cost amount based on the board-approved 2023 annual budget, the executive director or his designee is additionally authorized to negotiate and to enter into a contract with TRC to deliver the Residential new construction program for an initial term from January 1, 2023, through December 31, 2024.
2. First-year PDC contract costs and savings goals included in the contract shall be consistent with the board-approved 2023 annual budget and action plan(s). Thereafter, staff may amend the contract consistent with the board's annual budget and action plan decisions and the executive director or his designee is authorized to sign any such contract amendments.
3. The PDC contract may include a provision allowing staff to offer up to three one-year extensions beyond the initial term if the program management contractor meets certain established performance criteria, including but not limited to Diversity, Equity, and Inclusion contracting performance criteria.
4. Before extending this PDC contract beyond the initial term, staff will report to the board on the program management contractor's progress and staff's recommendation for any additional extension time periods. If the board approves an extension, contract terms would remain as approved in the most recent action plans, budgets, and contract at the time of extension, and the executive director or his designee would be authorized to sign any such contract extensions.

Moved by: Eric Hayes**Seconded by: Roland Risser****Vote: In favor: 11****Abstained: 0****Opposed: 0**

Adjourn

The meeting adjourned at 2:44 p.m.

The next regular meeting of the Energy Trust Board of Directors will be held Wednesday, October 12, 2022 at 9:00 a.m. at Energy Trust of Oregon, Inc., 421 SW Oak Street, Suite 300, Portland, Oregon. Public to attend by Zoom.

DocuSigned by:
Eric Hayes
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Signed: Eric Hayes

10/20/2022 /
Date